
City of Huntsville, Alabama
Consolidated Annual Performance and Evaluation Report
(CAPER) for Program Year 2012
(7-1-12 to 6-30-13)

EXECUTIVE SUMMARY



“DRAFT”

Kenneth Benion, Director
Community Development
120 E. Holmes Avenue
P.O. Box 308
Huntsville, Alabama 35804
256-427-5400
www.huntsvilleal.gov

City of Huntsville, Alabama

Executive Summary

The Consolidated Annual Performance and Evaluation Report (CAPER) is an annual report required by the U.S. Department of Housing and Urban Development (HUD). This year's CAPER report for the program year 2012, which covers July 1, 2012 through June 30, 2013, identifies the level of progress and accomplishments in meeting the priority needs as established in the City of Huntsville's Consolidated Plan for FY10 through FY15. The City's five-year goals were based on quantitative estimates of desired accomplishments given anticipated monetary resources. The quantitative estimates were not given as benchmarks for success or failure of specific programs, but used as a guide in the allocation of resources to address priority needs.

Summary of Resources and Distribution of Funds

The CAPER reflects the information from two federal entitlement programs that the City receives from HUD on an annual basis. For this period, \$1,137,583.81 in CDBG, \$792,444.32 in HOME expenditures were made from the following federal programs:

Community Development Block Grant (CDBG)	\$ 1,078,233.00
CDBG Program Income	\$ 183,568.36
HOME Grant	\$ 482,988.00
HOME Program Income	\$ 177,989.70
HOME Match Funds	\$ 120,747.00
Total HUD Funds	\$ 2,043,526.06

The City's Consolidated Plan identified priorities for three general categories: (i) Affordable Housing, (ii) Homeless and Other Special Needs Populations, and (iii) Non-Housing Goals and Objectives. The CAPER compares annual goals as established by the Consolidated Plan and the actual accomplishments made during this reporting period. The City met all its spending threshold requirements by meeting or exceeding its CDBG and HOME requirements. In addition, the City administered the CDBG program under the allowed 20% administrative cap. Public service project expenditures and obligations were also under the 15% cap.

General Questions

1. Assessment of the one-year goals and objectives:

During the reporting period of this CAPER, the City expended CDBG and HOME funds for activities and projects that were identified as priorities in the Consolidated Plan for FY 2010-2015. In partnership with North Alabama Coalition for the Homeless (NACH), the City provided technical assistance to non-profit agencies in support of the goal to end homelessness. Goal 1-Expand homebuyer opportunities for homeownership within low to moderate income neighborhoods by 10 % annually. HOME funds were provided for downpayment assistance and

homebuyer education counseling to twenty-two (22) low to moderate income first time homebuyers. This program is citywide.

Goal 2-Provide adequate supply of assistance to affordable rental housing for extremely low, low, and moderate income households. This activity is also citywide; however, priority was given to individuals and families located within the City's target and emerging areas. Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds were used to reach this goal. The City allocated HPRP funds in the amount of \$529,697 to five (5) non-profit agencies whose activities supported the objective of this goal.

Goal 3-Support efforts that engender neighborhood identity and sense of pride. This goal was met by providing adequate owner-occupied housing for Huntsville's low to moderate-income families. This year, we constructed four (4) owner occupied housing units for the identified population and look forward to constructing more.

Goal 4-Further fair housing and eliminate the barriers and discriminatory acts based on race, religion, color, and sex. This goal was accomplished by advertising and conducting an annual Fair Housing Training and through the development and dissemination of Fair Housing informational material. This measure increased awareness of rights and responsibilities as it relates to the Fair Housing Law.

Goal 5-Support the maintenance of a decent housing stock for elderly and the special needs population. This goal was achieved by providing repairs to 166 owner-occupied housing units using volunteer labor, donated material, and materials purchased with CDBG funds. This program is citywide; we invested \$414,549.41 to support this goal. Program investment included:

- CASA Weatherization----\$ 5,899.06
- World Changers----- \$ 71,867.68
- DMHRP----- \$ 28,489.51
- Rehab Admin.----- \$308,293.16

2. Describe the manner in which the recipient would change its program as a result of its experiences.

The preparation of the HUD CAPER is an appropriate time to review the objectives of the Consolidated Plan and Annual Action Plan. This assessment provides an overview of each project. To date, all activities are within acceptable limits for timelines. It is also a time to identify areas that may need to be addressed in the following program year. Changes will be made to the program when future funding levels for the CDBG and HOME programs are established by Congress, or when new federal funding becomes available. In addition, the IDIS database will be updated on a quarterly basis in order to monitor the progress toward objectives during the program year.

Affirmatively Furthering Fair Housing:

Huntsville continuously strives to promote fair housing practices and compliance with Title VII of the Civil Rights Act of 1968, as amended. Annual Fair Housing workshops are held to educate local civic

groups and the general public about fair housing practices. Additionally, local lenders, the Board of Realtors and the North Alabama Fair Housing Center conduct Fair Housing workshops throughout the year. The City of Huntsville held a Fair Housing Work Session on February 13, 2012 to discuss Fair Housing Laws and have a dialogue on this topic with the community. This work session also provided the City with input on the recognized Analysis of Impediments to Fair Housing Choice /Fair Housing Plan (2010-2015 Consolidated Plan).

In compliance with the Consolidated Plan regulations, the City submitted the 2010 – 2015 Analysis of Impediments to Fair Housing Choice/ Fair Housing Plan to HUD in May, 2011. Below is a brief summary of identified impediments, to include corrective actions.

a. Provide a summary of impediments to fair housing choice:

Summary of Impediments Found

- Public awareness is limited regarding the rights and responsibilities as prescribed under fair housing laws.
- The lack of empirical data on the extent of housing discrimination that may or may not be present in Huntsville.
- Zoning and land development policies that might limit opportunities for affordable housing developments in broader geographic areas of the city.
- Concentrated patterns of racial and ethnic minorities within the core of the City; twelve (12) tracts have populations with 70% or greater minority population.
- The affordable housing stock is concentrated in the inner residential core of the city, with few affordable housing options in the outer rings of the city.
- Households without access to automobiles are concentrated in the core of the City; employment growth is projected in areas that are not served by public transportation.
- The lack of adequate transportation impedes housing choices of many low-income households.
- The aging housing stock in the inner city challenges the resources of the City and assistance to non-elderly and non-disabled households in addressing code violations is a need-gap for these residents.
- The Board of Realtors does not report the existence of committees that focus on the promotion of equal housing opportunity nor affordable housing.
- NIMBY attitudes expressed in local meetings on the topic of the placement of low income public housing residents in scattered housing units throughout the City in an attempt to de-concentrate poverty.
- Mortgage denial rates are positively correlated with the City's minority population.

- Low-income households are impeded in their ability to improve their economic status due to their geographic concentration and limited access to transportation; this in-turn limits their housing choice opportunities.
- Fair market rent levels limits the eligibility options of some areas outside the City core for rental properties in the Section 8 program.
- The extent to which land use control and development processes present barriers to the development of affordable housing merits further consideration for how flexible and performance based zoning could support such housing.
- Poor performing schools are concentrated in the inner core and northern portion of the City of Huntsville where the affordable housing stock is located, with few affordable housing options in the outer rings of the city.
- The City of Huntsville has several housing programs and other opportunities for low income earners, however, participation is low because of other barriers-specifically, and credit history and high debt-to-income ratio that result in denial of mortgage loans.
- Lack of adequate numbers of affordable housing units; 21% of home owners and 42% of renters have monthly mortgages that exceed 30% of their household incomes, this is somewhat attributed to a large percentage of developers building high-end market housing.
- Commuting to work is dominated by car, truck or van drivers, driving alone. The lack of alternative modes for the work commute is a barrier that limits housing choice opportunities for low-income residents.

Actions to Affirmatively Further Fair Housing

1. Implement the route extension plans of the City Shuttle.
2. Work with existing housing advocacy groups and providers to promote affordable housing plans.
3. Through down-payment assistance, offer affordable housing opportunities and affirmative marketing beyond the core of the City.
4. Develop and sustain additional community dialogue on fair housing.
5. Develop City leadership's understanding of Fair Housing Laws.
6. Create good media relations that support civic dialogue on fair housing issues.
7. Develop well-structured and informative media campaign for housing developments.
8. Prepare a proclamation in observance of Fair Housing Month (City Council).
9. Develop an education and outreach Fair Housing Campaign.

10. Develop fact sheets and booklets describing key elements and actions required by law in relation to fair housing opportunities.
11. Engender partnerships, encourage lenders, real estate professionals, and other groups to assist public monitoring efforts.
12. Critique land use policies to determine and address barriers to developing affordable housing.

b. Identify actions taken to overcome effects of impediments identified.

Through marketing, outreach and education, the City's Affirmative Marketing Strategy consists of actions, which will disseminate the appropriate information in order to attract eligible persons in the housing market without regard to race, color, national origin, sex, religion, familial status or disability. Additional strategies include:

1. Informing the owners and potential tenants about fair housing laws and the City's affirmative marketing strategy, all publications related to properties assisted by the HOME program must display the Equal Opportunity Housing logo. Each assisted property must display a Fair Housing poster in a prominent place visible to the public.
2. Marketing efforts related to HOME assisted properties are publicized through various mass media outlets such as T.V., radio, and newspapers.
3. Participating owners are required to inform and solicit applications from persons in the housing market who are not likely to apply for HOME assisted housing without outreach. Owners of HOME assisted properties are required to notify the following agencies of all vacancies:
 - NAACP
 - Huntsville-Madison County Community Action Partnership
 - Huntsville-Madison County Senior Center
 - Madison County Department of Human Resources
 - Huntsville Rehabilitation Center
 - Local Churches/Non-profits
 - Family Services
4. The HOME assisted rental property owners are required to maintain records documenting actions taken to affirmatively market units. The records will consist of all printed releases, solicitations, letters and advertisements regarding the HOME program.

Describe Other Actions in the Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

During this fiscal year, the City's affordable housing program focused on the revitalization of the Terry Heights/Hillendale neighborhood through the construction of new housing in order to create home ownership opportunities.

In an effort to increase homeownership opportunities for lower income residents, the City also provided Down Payment Assistance to first time homebuyers, using HOME funds. A total of twenty-two (22) first-time homebuyers were assisted during the past program year. Community Development also provided funds to CASA, a nonprofit organization to weatherize homes for low-income elderly and/or disabled homeowners.

Leveraging Resources

a. Identify progress in obtaining "other" public and private resources to address needs.

The City continues to take proactive measures to maintain, provide and create new avenues for affordable housing for low and moderate-income renters and owners. Actions taken by the City to maintain avenues for affordable housing include the Deferred Home Maintenance Repair (DHMR) program. This program is geared toward low-income elderly and/or disabled homeowners. During 7/1/11-6/30/12, the City was able to assist 52 elderly and/or disabled homeowners with home repairs. The City qualified the homeowners and evaluated their homes in an effort to determine their needs. CDBG funds were used to purchase required materials. Lastly, city staff connected qualified homeowners with volunteer groups tasked with carrying out the prescribed work.

In addition to our DHMR program, the City seeks opportunities to work with private and non-profit developers to create and/or maintain affordable housing.

b. How Federal resources from HUD leveraged other public and private resources.

The City continues to coordinate its efforts to leverage HUD funds by forming partnerships with for-profit, non-profit, faith-based agencies and developers. Some of the activities include:

- ❖ Partnership with the World Changers Organization for the exterior renovation of homes of qualified homeowners throughout the City. The City provided the materials and World Changers provided the volunteer labor.
- ❖ Providing \$5,000 in HOME funds to each qualified first time homebuyer for downpayment assistance to leverage mortgage funds.
- ❖ The City provided \$1,050,000 in general funds to leverage \$433,243.00 in CDBG funds for the operation of the code enforcement program.
- ❖ The City provided \$300,000 in general funds for the administration of the community development program which leveraged \$269,211.00 in CDBG administrative funds.

c. How matching requirements were satisfied.

Matching requirements were satisfied through the use of excess match funds from the prior year in the amount of \$265,365.00.

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

This past year all actual expenditures were timely and in line with the letter of credit disbursements. The City is committed to continued programmatic compliance. No programmatic changes or adjustments in the City's strategy to implement its CDBG and HOME programs were made. However, the City continues to expand some programs and downscale others in order to capitalize on economic conditions favorable for homeownership opportunities.

Citizen Participation

1. Provide a summary of citizen comments.

In order to notify the public of the availability of the CAPER, an advertisement was posted in the Huntsville Times on August 31, 2012. Advertisements are also placed at Huntsville's Public Library, Alabama Institute of the Deaf and Blind (AIDB), Huntsville Housing Authority and the Richard Showers Center. No public comments were received during the comment period.

2. In addition, the performance report provided to citizens must identify the federal funds made available for furthering the objectives of the Consolidated Plan.

The geographic distribution of resources and the amount of funding received and disbursed during the FY11 program year are defined below by census tract. The following map (figure 1) identifies the census tracts and block groups located in the City of Huntsville as a reference to table 1. Table 1 identifies the total amount of funds received during the program year and the census tracts where activities occurred.

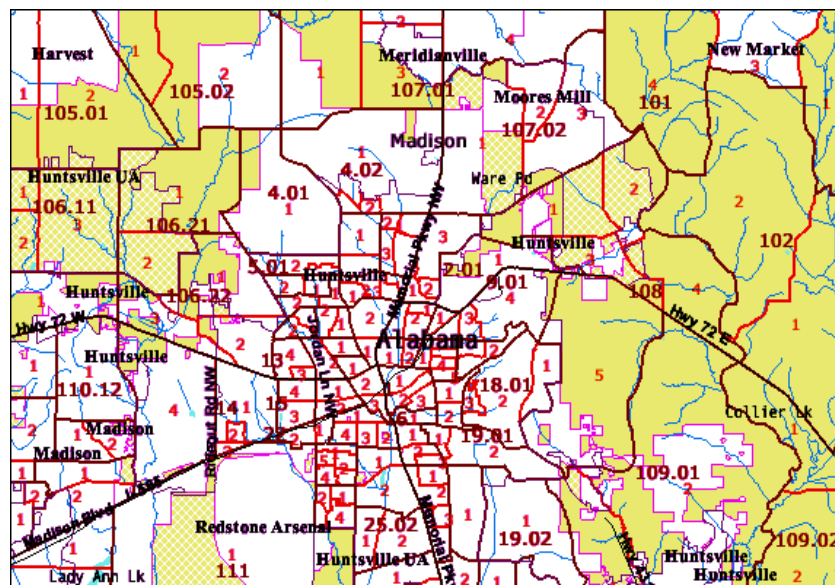


Figure 1: Census Tract Map; Source-City of Huntsville GIS Department, 2012

Approx. 20 miles across.

TABLE 1: CENSUS TRACT & FUNDING ACTIVITY

Formula Grant	Grant Amount	Program Income	Total Funds Expended	Geographic Distribution by Census Tract
CDBG	1,178,538.00	167,518.95	1,328,289.12	2.02, 3.01, 3.02, 4.01,4.02, 5.01, 5.02, 5.03, 7.01, 7.02, 9.02, 10.00, 11.00, 12.00, 13.00,14.00,15.00, 22.00, 23.00, 24.00, 106.22, 107.02
HOME	657,661.00	63,195.00	793,879.26	3.02,4.02,8,9.01,21,22,23,106.22
HOME MATCH	75,479.16	0.00	265,365.00	3.02,4.02,8,9.01,21,22,23,106.22
HPRP	529,697	0.00	121,113.59	Citywide

Public Facilities

No public facility activities were funded with CDBG or HOME funds during the FY11 program year.


Economic Development

No economic development activities were funded with CDBG or HOME funds during the FY11 program year.

Persons assisted with housing using CDBG funds during the program year are identified in table 2.

Projects include:

- World Changers
- Deferred Home Maintenance Repair (DHMR) Program
- CASA Weatherization Program.

TABLE 2: PERSONS ASSISTED WITH CDBG FUNDS					
Tenure	Program	0-30% of MFI	31-50% MFI	51-80% MFI	Total Households
Renters		0	0	0	0
Owners	Down Payment	2	7	13	22
	Deferred Home Maintenance Repairs	22	9	3	34
	World Changers/ Community Changers	12	5	1	18
	CASA	88	26	0	114
Totals		124	47	17	188

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

In order to strengthen and coordinate its program delivery system, Huntsville continued to initiate the following steps during FY11.

- At the direction of the Mayor, Community Development was responsible for the overall coordination, implementation, and monitoring of the FY11 Action Plan. The Department coordinated its efforts with both the public and private sectors.

- The City of Huntsville supported the efforts of the North Alabama Coalition for the Homeless (NACH) to coordinate homeless activities and identify needs. NACH is comprised of public and private social service agencies, concerned business owners, citizens and homeless individuals.

Monitoring

1. Describe how and the frequency with which you monitored your activities.

The City of Huntsville Community Development Department has developed an annual monitoring plan that distributes its monitoring process throughout the year. Community Development monitors organizations that receive funds as well as conducting internal monitoring to ensure the local program is being administered correctly. Compliance with housing codes, including actions or on-site inspections will be completed annually on appropriate rehabilitation activities or new construction activities.

The City of Huntsville's monitoring efforts are guided by both its responsibilities and its affordable housing goals for the community. These monitoring efforts include:

- Identifying and tracking program and project outcomes;
- Identifying technical assistance needs of subrecipient staff;
- Ensuring timely expenditure of funds;
- Documenting compliance with program rules;
- Preventing fraud and abuse; and
- Identifying innovative tools and techniques that support affordable housing goals.

The emphasis on one or more of the criteria may shift from year to year depending on the capacity, financial status, the technical assistance needs of sub-recipients, and the availability of City staff and resources.

All subrecipients entered into contracts with the City, as approved by the City council. The policy for payment of grant funds, expenditure verification, record keeping and use of program income, and other terms and conditions were included in all contracts.

2. Describe the results of your monitoring including any improvements.

On-site monitoring visits were conducted throughout the program year for each subrecipient. The purpose of the visits was to ensure compliance with program and financial requirements. If irregularities or serious concerns were found, the subrecipient was notified in writing to resolve or clear any findings before further funds were released. The results of all monitoring visits are maintained in the sub-recipient files.

Self Evaluation

a. Describe the effect programs have in solving neighborhood and community problems.

Community Development activities were designed to assist extremely low, low and moderate-income families by improving or creating affordable housing, and providing safer neighborhoods through code enforcement, public service programs, and public facility improvements. Housing rehabilitation activities included emergency repairs to the exteriors of homes of low-income elderly and/or disabled homeowners. Rehabilitation not only addressed the substandard conditions of the individual properties but also provided visual improvements to the surrounding neighborhood. Code enforcement continues to identify substandard housing conditions in low and moderate-income areas. By alleviating blighted conditions such as deteriorating housing, junk, litter, and overgrown vegetation, neighborhoods were also improved and stabilized. Overall, the City implemented and met most of its objectives for FY11 and has met its one-year goals.

b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.

The priority needs and specific objectives include the rehabilitation of substandard owner and rental properties in the target neighborhoods. Code Enforcement monitors the City ordinances related to housing and blighted conditions, neighborhood clean-up, and improvements to public facilities. This measure enhances the provisions of public services to low and moderate income people. The City provided Deferred Home Maintenance Repair (DHMR) funds to single-family housing units for low-income elderly and/or disabled homeowners. Additionally, Code Enforcement and neighborhood clean-up alleviated unsightly and unsafe housing and living conditions in low and moderate-income neighborhoods.

c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.

The CDBG and HOME programs have a common goal of providing safe and standard affordable housing for low and moderate income-families. The City assists in improving existing housing and provides new housing opportunities within the limits of its available funding. In addition, enforcing code ordinances helps to keep low and moderate-income neighborhoods in decent standard condition. The City provided HOME funds for the construction of four (4) single family affordable homes this program year. The funding of staff salaries to sub-recipients for public service activities through the CDBG program expands job opportunities for low and moderate-income individuals.

d. Indicate any activities falling behind schedule.

During this time period there have been no activities that have falling behind schedule.

e. Describe how activities and strategies made an impact on identified needs.

The focus of the CDBG and HOME programs continues to be the stabilization of low and moderate income-neighborhoods through housing construction and rehabilitation, code enforcement, the provision of public services, and the improvement of public facilities. To this end, activities were undertaken that met the identified needs and were projected to have a positive outcome on the identified needs of low and moderate-income persons.

Objectives and Outcomes

f. Identify indicators that would best describe the results.

Based on the intent of the funded activity, indicators that best describe results include the creation of:

- Suitable Living Environments
- Decent Housing
- Economic Opportunities

The outcomes of these indicators include the:

- Availability and Accessibility of services, infrastructure, public services, public facilities, housing, and shelter available for low-and moderate-income people, including persons with disabilities.
- Affordability of housing, basic infrastructure hook-ups, and services.
- Promotion of Sustainability to improve communities by helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

The attached IDIS CDBG Activity Summary Report C04PR03 identifies the objectives and outcomes for each activity that received CDBG funding.

g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.

The most pressing barrier to the success of community development strategies is the lack of available funding to address all identified needs. Another barrier is lead-based paint. If housing is identified for rehabilitation that requires a lead-based paint certified contractor, the rehabilitation must be deferred. The City has identified one (1) lead-based paint certified contractors to assist the City with future activities that could require their services.

h. Identify whether major goals are on target and discuss reasons for those that are not on target.

All identified activities are within acceptable limits of timelines.

- i. **Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.**

The City assesses the effectiveness of its projects and activities on an ongoing basis. Adjustments are made on an as-needed basis to activities which are project specific. No major changes occurred during the program year. The City continues to identify and quantify processes and outcome evaluation measures to better assess ongoing needs and results.

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

Community Development continues to develop evaluation plans for reducing lead based paint hazards. The City has identified four (4) Lead-based Risk Management companies to assist with lead-based paint reduction. In addition, five (5) Community Development employees (housing rehabilitation and code enforcement officers) were trained in lead based paint inspection and three (3) in lead based paint risk assessment. The identification of the contractors to include the expertise of trained staff measures upward capacity building in regard to actions taken.

Housing Needs/Specific Housing Objectives

1. Evaluate progress on meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and-moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.

TABLE 3: HOUSING GOALS & ACCOMPLISHMENTS

Funds Expended FY 2011	GOALS (5 years) AFFORDABLE HOUSING	ACCOMPLISHMENTS
\$115,060	Goal 1: Expand homebuyer opportunities for homeownership within low to moderate income neighborhoods by 10 % annually.	Provided down payment assistance and homebuyer education counseling (\$5,230 per family) to 22 low to moderate income first time homebuyers. This program is citywide.
\$121,133	Goal 2: Provide an adequate supply of assistance to affordable housing units for extremely low, low and moderate income households. This activity is citywide; however, priority will be given to activities located within the City's Target and emerging areas.	This goal was achieved by providing repairs to 166 owner-occupied housing units (\$414,549.41) using volunteer labor, donated material, and materials purchased with CDBG funds.
\$554,313	Goal 3: Support efforts that engender neighborhood identity and sense of pride	Supported the construction of four (4) homes at an estimated construction cost of \$140,000 per house.
\$0	Goal 4: Further fair housing and eliminate the barriers and discriminatory acts based on race, religion, color, and sex	Advertised and conducted an annual Fair Housing Training on February 13, 2012. This measure increased awareness of rights and responsibilities as it relates to the Fair Housing Law; Developed and disseminated informational material on Fair Housing.

\$308,293.16	Goal 5: Support the maintenance of a decent housing stock for elderly and the special needs population	Provided housing repairs to 166 homeowners using volunteer labor, donated material, and materials purchased with CDBG funds. This program is citywide.
\$106,256.25		Invested \$414,549.41 to support stable low to moderate income housing for the elderly and special needs population. Investment include: CASA (\$5,899.06), World Changers (\$ 71,867.68), DMHRP (\$ 28,489.51), Rehab Admin. (\$308,293.16)

Goal one: Provide an adequate supply of affordable owner-occupied housing citywide for low and moderate income households.

TABLE 4: AFFORDABLE HOUSING OBJECTIVES & ACCOMPLISHMENTS	
OBJECTIVES	ACCOMPLISHMENTS
Program one: Rehabilitation of existing single-family housing units located within target neighborhoods	166 owner-occupied housing units were assisted with housing rehab during FY11
Program two: Construction of single family housing for extremely low, low and moderate-income individuals/families within the City	Supported the construction of four (4) homes at an estimated construction cost of \$140,000 per house
Program three: Support and encourage the efforts of local non-profit agencies in the construction of additional housing units for extremely low and low income elderly and disabled individuals.	Supported the Franklin Hills project—a 56 unit project with \$250,000 in HOME funds; 8 HOME assisted affordable units.

2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.

The City's Consolidated Plan identified the need for decent, affordable housing and prioritized goals by the level of need. In developing these priorities, the City responded to indicators that described the need for more housing opportunities for extremely low-income households between 30% and 50% of the median income. The City also responded to the need for affordable rental housing assistance and a decent housing stock for the elderly and special needs population. The provision of the Downpayment Assistance Program (DAP), the Deferred Home Maintenance Repair Program (DHMRP) and the support of the Gateway project accomplished all the proposed goals that were included in the Consolidated Plan.

3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

In order to address the worst-case housing needs to include persons with disabilities, the City of Huntsville supported the efforts of non-profit agencies that focus on meeting the needs of this sub-population. Funding was provided to CASA, World Changers/Community Changers, Family Services, Crisis Services, New Futures, The Salvation Army and Pathfinder to address emergency housing needs for low and moderate income residents, with special needs, throughout the city of Huntsville.

Worst-case housing needs were also addressed in the Huntsville Housing Authority's renewal application for HUD's SuperNOFA funds. The Housing Authority was awarded a renewal Shelter plus Care grant that will continue to provide rental assistance to homeless mentally ill clients of the Madison County Mental Health Center. Other renewal grants included a Supportive Services Only grant to the Interfaith Mission Services First Stop Program.

Homeless and Other Special Needs Population

The chart below describes the goals for affordable housing needs and goals for homeless/special need population needs and the accomplishments that were achieved in FY11.

TABLE 5: HOMELESSNESS/SPECIAL NEEDS POPULATION GOALS & ACCOMPLISHMENTS		
Funds Expended FY 2011	GOALS (5 years) HOMELESSNESS & OTHER SPECIAL NEEDS POPULATION	ACCOMPLISHMENTS
\$121,113	Goal 1: Assist low-income families avoid becoming homeless	1,386 (individuals) and 990 (household) were assisted with Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds. These funds are used to prevent homelessness citywide. Continue to support the North Alabama Coalition for the Homeless (NACH), with providing a holistic system of services.
\$0	Goal 2: Reach out to homeless persons and assess their individual needs	In partnership with the Huntsville Madison County Mental Health Center, continued outreach and assessment activities are carried out through its Shelter Plus Care Program. First Stop sends outreach teams out in the community to camps and ridge areas on a regular basis to provide outreach and support to homeless persons. A point-in-time count was conducted in January, 2012. NACH members and volunteers make an effort to locate and count every homeless person. The object of the count is not identification, it's primarily a time for NACH members and volunteers to reach out to homeless persons, assess their needs and offer services.
\$0	Goal 3: Address emergency shelter and transitional housing needs of homeless persons	Salvation Army, Crisis Services, Family Services and the Pathfinder have assisted the City in addressing emergency shelter and transitional housing needs. Through these agencies, 192 persons utilized the emergency shelter facilities and 15 families have transitioned through the transitional housing programs.
\$0	Goal 4: Assist homeless persons (especially persons that are chronically homeless) to make the transition to permanent housing and independent living.	The Huntsville Housing Authority received a one-year renewal grant for rental assistance under the Shelter Plus Care Sponsor-Base Rental Assistance Program (DRA). The program continues to provide chronically homeless person with case management, housing and the supportive services necessary for stabilization.
\$0	Provide services that support basic needs of low to moderate residents and the needs of special populations	Target public service allocations to community based organizations that most efficiently and effectively impact the need of the special population. Huntsville Housing Authority continues to allocate support through the Shelter Plus Care program for housing needs of special population groups.

1. Describe actions taken during the last year to improve public housing and residents initiatives.

In accordance with the goals developed by Huntsville Housing Authority, actions taken to improve Public Housing include:

TABLE 6: HUNTSVILLE HOUSING AUTHORITY GOALS	
Goal One Objectives:	Create an Effective and Proactive Organization <ol style="list-style-type: none"> 1. Organizational/Operational Review 2. Develop Staff Capacity 3. Performance Appraisal/Compensation Study 4. Review and Improve Business Systems 5. Develop an RFP for an outside evaluator of performance under the Strategic Plan
Goal Two Objectives:	Establish and Implement an Effective Asset Management Plan <ol style="list-style-type: none"> 1. Update/Finalize Strategic Facilities Analysis Plan 2. Conduct Feasibility Study for Council Court and Searcy Homes 3. Select First Redevelopment Site 4. Establish Real Estate Acquisition Arm 5. Establish a Development/Management Arm 6. Transition to Site-based Operations 7. Investigate Feasibility of an Assisted Living Facility 8. Develop a Comprehensive Cost Allocation Plan 9. HOPE VI Demo Grant Application
Goal Three Objectives:	Develop and Implement a Comprehensive Services and Support Team <ol style="list-style-type: none"> 1. Improve Program Administration with Measurable Outcomes in all Areas 2. Seek funding for supportive services programs from a variety of sources 3. Develop a process of community outreach for assisting residents in self-sufficiency opportunities
Goal Four Objectives:	Improve the Internal and External Image of the Huntsville Housing Authority <ol style="list-style-type: none"> 1. Develop RFP for the purpose of obtaining a public relations firm to assist in developing a plan to enhance the HHA image. 2. Develop a customer assurance verification program 3. Maintain High-Performer Status under the Public Housing Assessment System (PHAS) 4. Establish High-Performer Status under the Section 8/HCV Management Assessment Program (SEMAP) 5. Establish an Internal Auditing Function
Goal Five Objectives:	Develop and Implement a Plan for Financial Diversity <ol style="list-style-type: none"> 1. Develop an RFP to obtain services of a qualified real estate professional with financial experience to assist HHA in recognizing new and viable real estate opportunities for future investment. 2. Utilize newly chartered non-profit subsidiaries; establish business opportunities, independent of HHA, to provide all levels of housing inspections for both Section 8 Housing Choice Vouchers and Public Housing. 3. Through the use of non-profit subsidiaries, develop opportunities to generate positive cash flows utilizing obsolete HHA non-dwelling properties. 4. Pursue new financial opportunities by partnering with developers who will benefit from the HHA's non-profit status when issuing development bonds.

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

The City of Huntsville maintains strong zoning and development requirements to assure quality housing in stable neighborhoods. Further examination of Huntsville's zoning ordinance, subdivision regulations, standard housing codes and permitting system has revealed no regulatory barriers that serve to prevent the construction of affordable housing within the City.

The Community Development Department will continue to monitor the effects of zoning and development requirements, as related to affordable housing. Huntsville endeavors to strengthen and coordinate its housing delivery system through the following activities.

- Continued partnerships with approved Community Housing Development Organizations (CHDOs) that serve as housing owners and/or developers.
- Provide down-payment assistance and homebuyer counseling to first-time homebuyers.
- Increase awareness of Fair Housing Laws among the general population.
- Community Development will continue to support the efforts of the Huntsville Housing Authority with a number of programs, including their first-time homebuyers program, the family self-sufficiency program, and housing tenants' organization program.
- The Community Development Department planning staff will continue to monitor the delivery of activities and programs and coordinate efforts with other assisted housing and supportive services providers to eliminate gaps in the delivery system.

HOME

1. Assessment of Relationship of HOME Funds to Goals and Objectives. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.

The City of Huntsville assisted twenty-two (22) families through the down payment assistance program. HOME funds were used to make \$5,000 grants to first-time homebuyers purchasing homes throughout the city of Huntsville. Homebuyers were required to attend housing counseling courses offered by three HUD certified non-profits.

The city of Huntsville used HOME funds toward the construction of four (4) affordable single family homes during the 2011 Program Year. We supported our CHDO administratively as they implemented the construction of the affordable housing units. This support consisted of CHDO operation cost and the housing plan selection, review, and evaluation process.

HOME Match Report

(See Attachment 6)

Attachment 6 of this CAPER reflects the city of Huntsville's HOME Match totals as of the date of this report. This amount includes the total amount of Match brought forward from previous program years, and shows the amount of the Match contribution for the current Program Year

HOME MBE and WBE Report

(See Attachment 6)

There were no contracts with MBEs or WBEs during the reporting period.

Assessments

a. Detail results of on-site inspections of rental housing.

All previously assisted rental units that are under HOME affordability guidelines are inspected by the City of Huntsville's Community Development Staff and/or the Alabama Housing Finance Authority (AHFA). The results are on file at Community Development.

The City of Huntsville's Community Development Staff and/or the Alabama Housing Finance Authority (AHFA) performed on-site inspections for the following HOME assisted properties during the 2011 Program Year:

<u>PROPERTY</u>	<u>INSPECTOR</u>
Family Services Center	CD Staff Inspection
Community Development Staff performed a monitoring review of Family Services Center (FSC) units for the 2011 Program Year. Staff determined that FSC was serving identified beneficiaries, client records were in order, and occupancy rates were noted. After visual inspections of all properties, the Family Services Center rental units appeared to meet or exceed minimal property standards. A copy of the monitoring reports, documenting the outcome of the visit is on file in the Community Development Department.	

b. Describe the HOME jurisdiction's affirmative marketing actions.

- ❖ The purpose of the City's HOME program affirmative marketing strategy is to provide fair housing choice for all residents through programs of voluntary assistance, affirmative marketing, outreach and education. The strategy consists of actions, which will provide information and attract eligible persons in the housing market without regard to race, color, national origin, sex, religion, familial status or disability.
- ❖ In order to inform the public owners, and potential tenants about fair housing laws and the City's affirmative marketing strategy, all publications related to properties assisted by the HOME program must display the Equal Opportunity Housing logo. Each assisted property must display a Fair Housing poster in a prominent place visible to the public.
- ❖ Marketing of HOME assisted properties were publicized through various mass media outlets such as T.V., radio, and newspaper.
- ❖ The City and HOME assisted property owners are required to maintain records documenting actions taken to affirmatively market units. The records will consist of all printed releases, solicitations, letters and advertisements regarding the HOME program.
- ❖ Each participating property owner's affirmative marketing actions are reviewed semi-annually for a period of two years, then annually for an additional five-year period, following the completion of activities assisted with HOME funds. Owners are required to agree in writing with the City to undertake affirmative marketing efforts for a period of seven years. The owner agreement will make the owner's affirmative marketing efforts a requirement of HOME funded assistance, thus establishing a contractual responsibility for assistance.

The City reviewed the affirmative marketing actions/activities at Mirabeau Apartments and LIFT/Family Services transitional properties this program year during the monitoring review for compliance and documented activities undertaken during the program year.

c. Describe outreach to minority and women owned businesses.

The City of Huntsville Department of Community Development through the Family Services Agency advertises in the minority Speakin Out News newspaper for construction bids. Advertisements include text encouraging participation by MBE and WBE. Bid invitations are delivered to the NAACP's local office. Redstone Area Minority Employees Association is contacted for bid solicitation. ADECA's published list of MBE & WBE candidates is used to increase minority participation. Participating property owners are required to solicit bids from neighborhood and minority businesses when hiring new or additional subcontractors. The approved contractors list is updated on a continuing basis as new contractors are identified. Homeowners may ask that additional contractors bid on housing rehabilitation projects.

Other Comments

There are no other comments at this time.

Homeless Needs (Continuum of Care)

1. Actions taken to address the needs of homeless persons and persons with special needs that are not homeless but require supportive housing.

In conjunction with NACH, the CoC implements comprehensive strategies to end chronic homelessness, to prevent homelessness, to re-house rapidly and to assist non-homeless individuals/families with supportive housing. Specific strategies include: detailed plans for the development and support of a minimum of 10 new supportive housing units per year for 5 years, increase the number of affordable rental units, develop relationships with landlords of multi-family housing in order to aid this population and increase home ownership support.

The City will continue to provide support to NACH for the management of the CoC process, program monitoring, data handling, evaluation and most importantly service delivery compliance with standards of care. Several ongoing projects and programs focus on prevention of homelessness and supportive services. Strategies used to achieve these successful projects and programs are, improving or maintaining the financial viability of persons identified as at risk for homelessness, intervening in rental or utility payment crises, preserving the current inventory of low income housing, expanding the inventory of low income housing and providing shelter plus care housing for low income persons with mental illness.

The Family Services in collaboration with the City and the Terry Height/Hillendale neighborhood organization is working diligently at improving and/or maintaining the financial viability of persons identified as at risk for homelessness and in need of supportive services by administering an asset building programs for those of low to moderate incomes through a worker cooperative program.

Three Community Development programs assure the preservation and quality of affordable housing: the Deferred Home Maintenance Repair (DHMR) program, World Changers/Community Changer program (both being owner-occupied rehabilitation programs), and Code Enforcement.

Additional actions include:

- Assisting local institutions (jails, hospitals) with updating their client/prisoner release policies to issue that newly released individuals are connected with service provider to assist them with housing.
- Working with providers to identify individuals and families who run the risk of becoming part of the chronically homeless population.
- Target public service allocation to community based organizations which most efficiently and effectively impact these needs of this population.

Organizations used to carry out the CoC activities include, Crisis Services, Family Services, First Stop, The Pathfinder, New Futures and The Salvation Army.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Actions taken include partnering with agencies that aid in the prevention of homelessness. Listed below are those agencies and their primary objective:

- Crisis Services- Operates a safe and confidential shelter that serve adult and child victims of domestic violence.
- Family Services Center- Operates a transitional housing program for homeless families or families who had been evicted from their residence.
- First Stop- Operates a homeless day center which provide clients the following services: case management, medication distribution and monitoring, job placement, assistance in obtaining vital documentation (LD., social security cards, etc), and assistance with finding suitable permanent housing.
- New Futures-Provide essential services to homeless families with transitional housing and supportive services
- The Pathfinder- Operates a shelter program for persons who had completed addiction treatment.
- The Salvation Army- Operates an emergency homeless shelter that house and provide meals for homeless individuals. They also provide numerous referrals for their clients to other agencies.

Homeless Strategic Plan

The North Alabama Continuum of Care planning process lead entity is the NACH. This plan evolved from the Mayor's Homeless Advisory Commission, which was originally established in 1989 to address the needs of the homeless in the Huntsville community. NACH acts as an organizing network for nonprofit organizations, government agencies, the homeless and concerned citizens to identify and discuss the

homeless needs and resources in the community. NACH has evolved to include a myriad of nonprofit organizations that provide services to homeless persons and persons living with disabilities, veteran service organizations, neighborhood/civic organizations, government agencies, housing developers, service providers, and homeless or formerly homeless persons.

Huntsville and Madison County has the largest population and the highest per capita income in North Alabama. Consequently, homeless persons from the surrounding counties tend to gravitate to this area looking for job opportunities and social services. This known fact drives the lead agency to strive for a wider level of participation all the counties in the area. NACH has made a concerted effort to engage those outlying counties in the CoC process; first through NACH member agencies who are providing homeless services and building partnerships in those counties and participating in NACH regularly scheduled meetings; and second, providing outreach to service providers in those counties. This outreach shows the benefit of joining and strengthening the CoC.

NACH coordinates the participation of all entities in the North Alabama area involved in or interested in the problem of homelessness. It is through monthly Coalition meetings where all members are encourage to take an active role in the process that shapes the core of the North Alabama Continuum of Care. The monthly meetings are structured to coordinate the ongoing process of identifying service needs, evaluating services and utilizing the available resources in the most efficient manner. NACH also participates in the development of the Consolidated Plan with the City of Huntsville. An extensive e-mail list has also been developed so that members of NACH can be notified of meetings and new information in a timely manner. NACH has also developed an internet web site for easier communication with contiguous counties and cities.

The strength and capacity of NACH is derived from its long history as an all-volunteer organization. The combined efforts of its members have provided services to the area homeless population on a coordinated basis for the last fifteen years. Other sources of funding to provide support to the homeless population include Victims of Crime Act (VOCA), Emergency Shelter Grant (ESG), and Shelter Plus Care. Such results demonstrate the potential and ability of NACH to plan, develop, and coordinate programs for homeless persons.

EMERGENCY SHELTER GRANTS (ESG)

The City of Huntsville does not receive a direct allocation of ESG funds

Community Development

1. Assessment of Relationship of CDBG Funds to Goals and Objectives

- a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.**

During the FY11 program year, CDBG funds were expended for goals and specific objectives identified in the Consolidated Plan. The majority of the funds were expended for affordable housing activities. Activities that were identified as being a high priority in our 2010 – 2015 Consolidated Plan include Planning and Management Activities, Code Enforcement Activities, and Neighborhood Cleanup Activities. All three of these high priority areas were addressed during this program year.

The City spent \$269,211 on Planning and Management Activities during this Program Year. Staff provided for the management, oversight and coordination of CDBG, HOME, and ESG Programs. Staff also managed the CDBG-R, HPRP, and NSP activities this program year and provided technical assistance to subrecipients carrying out program activities.

The City spent \$433,243 on Code Enforcement and Neighborhood Cleanup Activities during this Program Year. Funds were used to provide neighborhood stabilization through the enforcement of City ordinances relating to standard housing, junk accumulation, abandoned vehicles, excessive grass and weeds, and dilapidated structures.

b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.

See attached IDIS report PR23.

c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

See attached IDIS report PR23.

Changes in Program Objectives

1. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

As federal funding for the CDBG program declines, funding for public service projects has shifted to the City General Fund. The Boys and Girls Club, however, continued to be funded with Community Development Block Grant funds. The housing rehabilitation program has also changed to a Deferred Maintenance Home Repair program using volunteers for labor. The City can no longer fund the total cost of housing rehabilitation. Limited funding has required a shift to smaller projects or to providing matching funds to eligible projects.

2. Assessment of Efforts in Carrying Out Planned Actions

a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.

The City utilized CDBG and HOME grant funds that were received as entitlement grants. In addition, the City applied to the State of Alabama for a portion of its Emergency Shelter Grant funds in order to assist homeless services programs.

b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

The City continues to require that all requests for certifications of consistency information on the size and number of units proposed for construction or renovation. Projects that were consistent with the Consolidated Plan were provided a letter of consistency in a timely manner.

c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

All actions that were covered by the Consolidated Plan were carried out in accordance with the plan and the appropriate federal regulations. Plans were advertised in the local newspaper for a period of thirty days prior to any federal funds being expended. Public hearings were held at the appropriate times to receive input from the public regarding the expenditure of federal funds. In addition, the Community Development Department's annual budget was reviewed and approved by the Citizen Advisory Council for Community Development.

3. Funds Not Used for National Objectives

- a. Indicate how use of CDBG funds did not meet national objectives. N/A
- b. Indicate what did not comply with overall benefit certification. N/A

4. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

(There were no activities that involved the acquisition, rehabilitation or demolition of occupied real property during the program year.)

5. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low or moderate-income persons

(There was no economic development activities conducted during the program year that utilized CDBG or HOME funds.)

6. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate-income benefit

- a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

Activities that served low and moderate-income limited clientele were documented by the Community Development Department or the sub-recipient agency through income verifications or evidence of eligibility through another targeted program. All programs that were funded by CDBG or HOME funds were required to serve low and moderate-income clientele or alleviate slum and blighted conditions on a spot basis.

7. Program income received

- a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.

Not Applicable

- b. Detail the amount repaid on each float-funded activity.

Not Applicable

- c. **Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.**

Not Applicable

- d. **Detail the amount of income received from the sale of property by parcel.**

Sale of Property \$0.00

- 8. **Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:**

Not Applicable

- 9. **Loans and other receivables**

- a. **List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.**

Not applicable

- b. **List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.**

Total number of loans: 267 Balance \$1,108,751.45

These loans represent rehab loans, deferred payment loans, and down payment assistance loans made to individuals over the past several years.

The total amount of outstanding rental property loans is \$3,708,339.53.

- c. **List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.**

4 loans @ 10% Deferred Payment Loans with a balance of \$9,729.48 (CDBG and HOME)

- d. **Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.**

No loans were written off during this program year.

- e. **Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.**

Not applicable

- 10. **Lump sum agreements**

Not Applicable.

11. Housing Rehabilitation – for each type of CDBG rehabilitation program for which units were reported as completed during the program year

Project Name	Amount Expended
CASA	\$ 5,899.06
World Changers and Community Changers	\$71,867
Deferred Home Maintenance Repairs/Rehab Admin.	\$336,783

12. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies

Not Applicable

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Actions taken to reduce the number of persons living below the poverty level during FY 11 are as follows:

- ❖ The City of Huntsville made HOME funds available for Down Payment Assistance during this program year to assist first time homebuyers in becoming homeowners. We were able to assist 22 families with this activity of providing grants of up to \$5,000.00 for down payment cost.
- ❖ The City of Huntsville continued to manage the Homeless Prevention and Rapid Re-Housing (HPRP) Program. During the time period of 7-1-11 to 6-30-12, \$121,113.59 of HPRP funds were used to support activities that assisted in the stabilization of families living below the poverty level.
- ❖ The City of Huntsville also supported the following activities that impacted persons living below the poverty level in Huntsville:
 - *Housing Rehabilitation:* These programs assured that owner occupied homes remained affordable and in standard condition.
 - *Huntsville Housing Authority:* Under the provisions of the Department of Housing and Urban Development, Huntsville Housing Authority provides Section 8 certificates and vouchers to assist poverty level families with housing costs. This program provided the difference between 30 percent of the assisted household income and the established Fair Market Rate of the unit in which the householder resided.

Non-homeless Special Needs

Goal: Promote neighborhood stabilization through the provisions of public facilities, infrastructure improvements, and public services activities.

Funds Expended FY 2011	GOALS (5 years) NON –HOMELSS SPEICAL NEEDS	ACCOMPLISHMENTS
\$0	Goal 1: Public Facilities-Provide for the rehabilitation of recreational facilities located within low/moderate income neighborhoods.	CDBG funds were not expended for public facility projects during FY11. However, the City of Huntsville continues to support its recreational facilities using general funds and special grant programs not related to Community Development Block Grant funds.
\$0	Goal 2: Infrastructure-Provide sidewalks, speed tables, streets, and drainage improvements within low/moderate income neighborhoods.	CDBG funds were not expended for infrastructure projects during the FY11. However, the City of Huntsville is continually using general funds for speed tables and/or sidewalks in low/moderate income neighborhoods.
\$200,000	Goal 3: Public Services-Provide assistance to nonprofit agencies for the implementation of public service programs, including services for the elderly, educational and recreational opportunities for youths. Provide programs, which promote economic development for low/moderate income persons.	CDBG funds were expended for administrative expenses at the Boys and Girls Club.

Specific HOPWA Objectives

The City of Huntsville does not receive a direct allocation of HOPWA funds.

Include any CAPER information that was not covered by narratives in any other section.

Section 3

The City of Huntsville's CHDO, Family Services Center, Inc. will have bid openings for new construction of up to 13 new homes using HOME funds. Section 3 requirements were included in the contract. At least 30% of new hires resulting from the construction of the houses will be filled by section 3 qualified residents. At least 10% of subcontracts will be section 3 owned businesses. Three percent of the construction cost of the new homes will go toward appropriate training for section 3 residents.

The City of Huntsville's through Family Services Center, Inc. is partnering with the Huntsville Housing Authority to solicit the participation of section 3 qualified residents.